



## **Cornerstone Properties Signs Telecommunications Agreement with Allied Riser Communications**

**Contract Covers Over 95 Class A Office  
Buildings;  
Provides for State of the Art Data, Voice and  
Video Capabilities to Tenants**

**Agreement Includes Equity Investment,  
Warrants and Revenue Sharing**

### **FOR IMMEDIATE RELEASE**

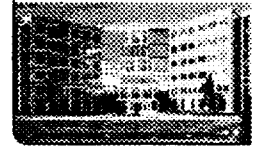
**SAN FRANCISCO, CALIFORNIA, September 9, 1999 --** Cornerstone Properties Inc. (NYSE:CPP) is pleased to announce the signing of a non-exclusive agreement with Allied Riser Communications Corp. (ARC) to provide high capacity, high performance telecommunications services to over 95 Class A buildings comprising more than 20 million square feet, that are owned and/or managed by Cornerstone. ARC is a facilities-based telecommunications provider that operates voice, video and data networks backed by a state of the art fiber optic infrastructure.

Under the terms of the agreement, ARC will offer its advanced telecommunications services to tenants in Cornerstone's portfolio of office properties located in many of the major markets throughout the U.S. including Boston, New York, Chicago, San Francisco, Los Angeles, Seattle and Washington, D.C. ARC offerings to Cornerstone's 1900-plus tenants will include ultra high-speed internet access, advanced conference-calling services, video links to computer screens and other enhanced telecommunications services. As part of the ARC/Cornerstone arrangement, Cornerstone will receive warrants for shares of common stock in ARC. Cornerstone will also participate in the revenues ARC generates in Cornerstone's buildings, through a revenue sharing program. Additionally, Cornerstone has made a \$1.5 million equity investment in ARC.

Lee Van Boven, Chief Operating Officer of Cornerstone Properties, commenting on the arrangement, stated, "We are pleased to be able to join with ARC to provide our tenants with high-quality choices for their telecommunications needs. ARC's infrastructure will provide us and our tenants with the services and bandwidth needed to meet the rapidly increasing voice and data demands of our businesses."

John Moody, Cornerstone's President and Chief Executive Officer further commented, "Over the past year we have evaluated the capabilities and qualifications of numerous telecommunications companies, looking for the best fit with our company in terms of both our tenants and our shareholders. Our agreement with ARC will provide cutting edge technology to our tenants, as well as an attractive revenue stream and value enhancement to our

Current Press Releases  
News Archive



Corporate 500 Centre  
Deerfield, IL

shareholders."

Cornerstone Properties Inc. is a self-administered equity real estate investment trust (REIT) investing in Class A office properties in prime locations in major suburban markets and central business districts. The Company, through its subsidiaries, currently owns interests in 95 Class A office properties throughout the United States totaling approximately 20 million square feet. Cornerstone's common stock is traded on the New York Stock Exchange under the ticker symbol CPP.

Allied Riser Communications Corp. is a facilities-based provider of broadband data, video and voice communications services to businesses in major metropolitan areas in the U.S. Services are typically delivered to customers over dedicated fiber-optic networks that the company designs, constructs, owns and operates inside large- and medium-sized office buildings. Through this infrastructure, ARC offers internet access at speeds that are up to 175 times faster than standard dial-up services and transmits data to and from customers at speeds of ten million bits per second, with the ability to increase speed to one billion bits per second.

*This press release contains forward-looking statements within the meaning of the Federal securities laws. Forward-looking statements are inherently subject to risks and uncertainties, many of which cannot be predicted with accuracy, that could cause the actual results, performance or achievements of Cornerstone to differ materially from those reflected in such forward-looking statements. Information contained in this press release regarding current and future market conditions is based on Cornerstone's assessment of real estate markets as of this date and is subject to the uncertainties inherent in such an assessment. In particular, but not exclusively, national and regional economic conditions, the rate of new construction, and demand and supply in a given market will affect leasing activity, projected rents and the cost of lease renewals.*

###

For more information on Cornerstone Properties visit Cornerstone Properties' Web site at [www.cstoneprop.com](http://www.cstoneprop.com).

**FOR ADDITIONAL INFORMATION, CONTACT:**

Steven Elliott  
Vice President, Investment Management  
(650) 358-5414

Jennifer R. Wall  
Investor Relations  
(212) 605-7136  
[investor@cstoneprop.com](mailto:investor@cstoneprop.com)



12TH STORY of Level 1 printed in FULL format.

Copyright 1999 Faulkner & Gray  
National Mortgage News

October 11, 1999

SECTION: INCOME LENDING/REITS

LENGTH: 609 words

HEADLINE: Equity Office Properties Launches Business Services Division

BODY:

Chicago-Equity Office Properties Trust here launched its Equity Office Access, a strategic business service unit that will provide the company's tenants with access to business products and services including telecommunications, instant office suites, business motivational speakers and training tools, information tools, and advertising venues.

Equity Office Properties is a real estate investment trust and the largest publicly-traded owner and operator of office buildings. The REIT currently owns 285 office properties comprising 76.2 million square feet throughout 35 metropolitan statistical areas and has more than 6,000 tenants at those properties.

New programs and contracts under the Access umbrella now include national agreements with telecommunications providers, a media company that provides message screens in elevators, a bank that will provide automated teller machines to Equity Office properties, and a professional development product and service provider.

"Access was designed as an extension of the Equity Office brand, which emphasizes the company's ability and commitment to facilitate customers' success through targeted business solutions and services," said Tim Callahan, president and chief executive officer of Equity Office Properties.

He added, "We're using our national office building portfolio, the strong infrastructure and operating systems we've developed, and our customer partnering approach to benefit all of our constituents: customers, shareholders and employees."

Equity Office anticipates that as Access matures and becomes more accepted by tenants it will offer the REIT a new means to drive internal growth and could bring in additional revenues of \$ 7.0 million by the end of this year alone.

"We strive to be problem-solvers and to offer much more than bricks and mortar to our customers," said Michael E. Sheinkop, senior vice president of real estate services and head of the Access initiative. "As e-commerce revolutionizes industries and job descriptions, we want to work with our customers to redefine the workplace," he added.

According to Equity Office, what separates the Access initiative from attempts by other office property owners to provide their tenants with services beyond

those traditionally offered by property owners is the company's network of 285 office properties.

"Our preferred providers and vendor partners recognize that they have an opportunity to reach hundreds of thousands of potential business customers through one efficient network - under one building ownership and management company," Mr. Sheinkop said. "We've just re-defined their boundaries for growth opportunities," he added.

In other words, because of the size of Equity Office's network of properties, service providers that make an exclusive deal with the REIT suddenly have potentially thousands of new clients.

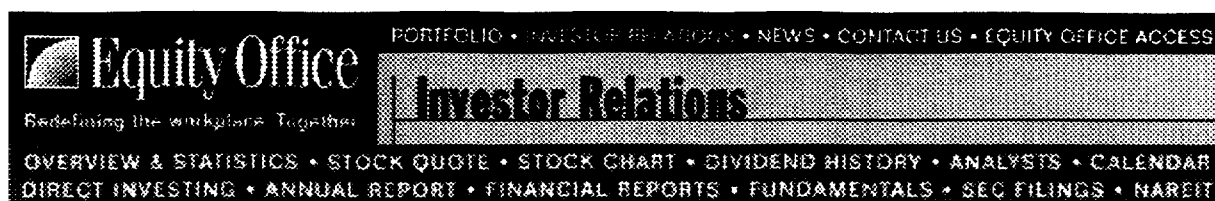
Mark Dixon, executive chairman of Regus Business Centres, a leading provider of furnished offices with flexible rental agreements, said, "We chose to add Equity Office to our list of partners in the property industry because the company offers Regus an immediate, existing infrastructure for our business center operations by providing access to a well-managed portfolio of top quality class A buildings throughout North America."

Companies that have already reached agreement with Equity Office Properties to provide services under its Access program now include Allied Riser Communications Corp., Winstar Communications Inc., Level 3, Captive Network Inc., Regus Business Centres, AdCom, U.S. bank, Wyncom Inc. and Books Are Fun.

LANGUAGE: ENGLISH

LOAD-DATE: October 21, 1999





Equity Office Properties Trust (ticker: EOP, exchange: The New York Stock Exchange) News Release - Wednesday, September 08, 1999

## Equity Office Launches Access; Initiative Designed to Offer Resources to Customers and Additional Revenues To EOP; Includes New National Programs and Contracts

CHICAGO, Sept. 8 -- Equity Office Properties Trust (NYSE: EOP - news), the country's largest publicly held owner and operator of office buildings, today announced the launch of Equity Office Access, a strategic business service unit that will provide office space customers access to business products and services, as well as conveniences. In addition, Access will generate additional revenues for EOP. Currently, Equity Office's tenant base includes more than 6,000 businesses and more than 316,000 customer employees in 285 office buildings, primarily concentrated in the nation's largest metropolitan markets.

Initial products and services under the Access umbrella include telecommunications, instant office suites, business motivational speakers and training tools, and unique informational tools and advertising venues, among others. New programs and contracts include national agreements with Level 3, a telecommunications provider; Captivate, a media company which provides message screens in elevator cabs; U.S. Bank, which will bring ATMs to EOP properties; and Wyncom, a professional development product and service provider.

"Access was designed as an extension of the Equity Office brand, which emphasizes the company's ability and commitment to facilitate customers' success through targeted business solutions and services," says Tim Callahan, president and chief executive officer of Equity Office. "We're using our national office building portfolio, the strong infrastructure and operating systems we've developed, and our customer partnering approach to benefit all of our constituents: customers, shareholders and employees."

Equity Office anticipates that as the Access initiative matures, it will offer the company another means to drive internal growth. The company estimates incremental revenues in 2000 between \$5 million to \$10 million for programs that are currently in place, including telecommunications. This is in addition to the \$7 million in anticipated revenues for 1999.

### Customer Impact

"We strive to be problem-solvers and to offer much more than bricks and mortar to our customers," says Michael E. Sheinkop, senior vice president of real estate services and head of the Access initiative. "As E-commerce revolutionizes industries and job descriptions, we want to work with our customers to redefine the workplace. Our customers are what drive the products and services Access offers."

Lowenstein & Associates, a Houston-based executive search firm, was like many small to mid-size firms struggling with the labyrinth of telecommunications offerings available, and with the link-up costs that are often prohibitive for smaller firms. Customer input had alerted EOP to this broad-based challenge a year earlier, so the company obtained a Private Letter Ruling from the Internal Revenue Service that enabled EOP to aggressively pursue telecommunications solutions for its customers. Lowenstein & Associates took advantage of Equity Office's new capability by contracting with Allied Riser Communications Corporation (ARC), an EOP-chosen service provider.

"Equity Office's ability to offer a range of telecom providers is a competitive edge for companies," says Rafael Pina, Lowenstein's information technology manager. "In today's market, companies that can turn to their building owners for assistance in securing services like this have an added resource. Now that I've experienced these services, I would be hard-pressed to move into an office building without them."

### Service Provider Opportunities

The Access equation of bringing customers and high-quality providers together is dependent on the instant pipeline Equity Office offers vendors. The infrastructure that links 285 top-line office buildings across the country is a distribution channel unique to Equity Office.

Sheinkop added, "Our preferred providers and vendor partners recognize that they have an opportunity to reach hundreds of thousands of potential business customers through one efficient network -- under one building ownership and management company. We've just redefined their boundaries for growth opportunity."



Mark Dixon, executive chairman of Regus Business Centres, which recently signed a national agreement with an affiliate of Equity Office commented, "We chose to add Equity Office to our list of partners in the property industry because the company offers Regus an immediate, existing infrastructure for our business centre operations by providing access to a well-managed portfolio of top-quality, Class A buildings throughout North America."

Tom Peters, renowned business thought leader and author of Circle of Innovation, as well as the groundbreaking new book series on Reinventing Work, remarked, "Any real estate company today must be a service company. How does a service company continue to provide the best in service? It thinks like its customers -- one, two, five years down the road. That's what I see Equity Office doing. When you're doing something that hasn't been done before -- there's no road map. That's seriously cool! That's how a company reinvents itself and its industry. With this kind of thinking, Equity Office has turned the flashlight on in an industry still in the dark with regard to how office buildings can play a role in their customers' success."

#### Current Offerings

Current Access products and services include the following. Equity Office has established an Access Customer Information Center at 1-877-EOACCESS (362-2237) for more detailed product and service information.

- Allied Riser Communications Corporation (ARC)  
A non-exclusive agreement with ARC provides telecommunications services and customer service support to Equity Office customers. ARC's pre-installed Internet Protocol (IP), light-speed network offers high-speed internet access; voice and data conferencing; high-speed, highly secure virtual private networking; and business-oriented television access to desktops. ARC is currently installed in 58 Equity Office buildings and is slated for additional building installations through 2000.
- Winstar Communications Inc.  
Winstar's Wireless Fiber(SM) service provides a "plug-and-go" alternative to voice, data, broadcast and internet services in another non-exclusive telecommunications agreement. Winstar has fully installed its infrastructure in 90 Equity Office buildings and currently has another 65 buildings under review.
- Level 3  
EOP recently contracted with a third non-exclusive telecommunications provider, Level 3, which is in the process of building an international advanced Internet Protocol (IP) technology-based network. The company offers dedicated internet access with enhanced broadband performance. The provider is slated to service approximately 75 Equity Office buildings by the end of 1999.
- Captivate Network, Inc.  
Another new contract is with a new media company, Captivate Network, Inc., which taps the internet to provide video-only message screens in elevators. Programming features news, sports, weather, stock market and local traffic updates from various media sources, as well as building-specific messages on events, fire and life safety, etc. In addition to providing customers with a valuable news resource that maximizes the "downtime" spent in elevators, Captivate also offers advertising opportunities to Equity Office and its customers. More than 20 Equity Office buildings are slated for installation this year.
- Regus Business Centres  
Regus, one of the world's leading providers of fully furnished offices with flexible rental agreements, formed a joint venture with an Equity Office affiliate to establish Regus centers in multiple Equity Office buildings across the country. Through this partnership, Equity Office will gain new business center locations for its national customer base. The joint venture has leases totaling more than 170,000 square feet are completed in Seattle and Bellevue, Wash.; Stamford, Conn.; Austin and Houston, Texas; the Boston area; and the Los Angeles, Calif. area.
- AdCom  
AdCom is a newly formed EOP national sales and marketing program designed to develop specialty communication services (advertising, promotions, displays, photo-shoots, special events, product launches) at Equity Office properties. The building advertising portion of this program was piloted in Boston with well-known brands, such as Apple Computer and Levi's, which purchased ads on the exterior of Russia Wharf and in the interior of South Station, respectively. Opportunities for garage advertising are being explored as well.
- ATMs  
Equity Office also is announcing a national agreement with U.S. Bank to provide and service ATMs in 49 EOP buildings in 30 cities. Beyond banking services, the ATMs have the potential to offer messaging opportunities at the top of the screens and during "while you wait" intervals. In addition, use of the leading technology supplied by U.S. Bank will allow Equity Office's tenants to tap emerging customer services, such as access to coupons, stamps and phone cards, as they become available.
- Wyncom Inc.  
And a new contract is being announced with Wyncom, one of the leading

public professional development series providers, which features one-day events with renowned best-selling business authors, such as Tom Peters (Circle of Innovation), Steven Covey and Ken Blanchard (One Minute Manager) and many others. A non-binding marketing arrangement with Wyncom provides Equity Office customers with preferential, below-market rates for speakers, their books and workshops.

-- Books Are Fun

As the largest direct marketer of best sellers and gift books in North America, Books Are Fun holds more than 50,000 book fairs annually and offers customers savings of up to 70 percent. Currently, 45 Equity Office properties have access to Books Are Fun fairs, which are typically held in the buildings' lobbies. An additional 127 buildings will be added to the Books Are Fun circuit by year's end.

Equity Office Properties Trust is the nation's largest publicly held owner and manager of office properties, with a national portfolio of 285 buildings comprising 76.2 million square feet in 23 states and the District of Columbia. Equity Office has an ownership presence in 35 Metropolitan Statistical Areas (MSAs) and in 80 submarkets, enabling it to provide a wide range of office solutions for local, regional and national customers. For more company information visit the Equity Office website at [www.equityoffice.com](http://www.equityoffice.com).

Certain matters discussed within this press release are deemed to be forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Although Equity Office Properties Trust believes the expectations reflected in such forward looking statements are based on reasonable assumptions, it can give no assurance that its expectations will be attained. Factors that could cause actual results to differ materially from Equity Office's expectations include changes in the extent of tenant demand for additional services, the ability of third-parties to expand in response to such demand, the state of the law in respect to "forced access" of certain telecommunications provided to office properties, future Regulations, policies and procedures of the Internal Revenue Service, as well as other risks detailed from time to time in the company's SEC reports and filings, including its annual report on Form 10-K. The company assumes no obligation to update or supplement forward looking statements that become untrue because of subsequent events.

*"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: Statements in this press release regarding Equity Office Properties Trust's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" in the Company's Annual Report or Form 10-K for the most recently ended fiscal year.*

[HOME](#) | [PORTFOLIO](#) | [INVESTOR RELATIONS](#) | [NEWS](#) | [CONTACT US](#) | [PROFILE](#)  
[EQUITY OFFICE ACCESS](#) | [JOBS](#) | [PARKING](#) | [UNIQUE SPACES](#) | [EQUITY OFFICING](#)

---

© 1999 EQUITY OFFICE PROPERTIES TRUST



**HOOVER'S**  
ONLINE  
The Business Network

**RED HERRING**  
an Center affiliate

Internet Company Research

Company Name:  Research Category:

Business News Sites

[Home](#) | [Companies & Industries](#) | [Money](#) | [Career Development](#) | [News Center](#) | [Business Travel](#) | [Store](#)

Search  Company or Ticker  for   [More searches and Power To](#)

members only

**Companies**

New @ Hoover's

List of Lists

A-Z Index

Private

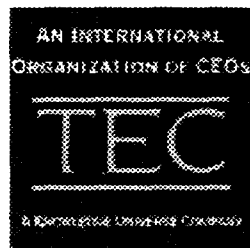
Public

Subsidiary

Non-US

**Industries**

Company Directory



### Download Capsules

Download Hoover's Company Capsules covering thousands of US companies. Create mailing lists, merge letters, or import data into software programs.

Brought to you by

Sector: [Real Estate](#) > Industry: [REIT - Diversified & Miscellaneous](#)

## Reckson Associates Realty Corp.

### Company Capsule

### Financials

### News & Analysis

### Industry

Available only to Hoover's Online members. See [Samples](#).

225 Broadhollow Rd.  
Melville, NY 11747 [\(Map\)](#)

Phone: 516-694-6900  
Fax: 516-622-6786

### Subsidiary Locations

This company reckons there's money in real estate. Real estate investment trust (REIT) Reckson Associates Realty is the general partner of a limited partnership that owns and leases about 200 office and industrial properties in the New York metro area, primarily on Long Island, but also in New Jersey and Connecticut. Reckson's affiliates carry on non-REIT activities: Reckson Services Industries invests in firms that provide service to Reckson's and others' properties; Reckson Strategic Venture Partners invests in real estate ventures outside Reckson's focus. Reckson (with help from Crescent Real Estate Equities) bought Tower Realty Trust, signaling its entrance into the brutal Manhattan real estate market.

### Top Competitors

[Mack-Cali Realty](#) | [Vornado](#)

### News & Commentary

#### Hoover's News

[Current Stories Mentioning Reckson Associates Realty](#)  
(powered by NewsAlert)

[Archived News About Reckson Associates Realty](#)  
From Transium

### Search The Web For Reckson Associates Realty

[AltaVista](#) | [AOL NetFind](#) | [Ask Jeeves](#) | [Dogpile](#) | [Excite](#) | [GO Network](#) | [HotBot](#) | [Lycos](#) | [Northern Light](#) | [Yahoo!](#)

### Find Related Companies

### Key Numbers

NYSE: [RA](#) (full quote)

### Stock Chart

Fiscal Year-End:  
December

1998 Sales (mil.): \$266.3  
1-Yr. Sales Growth:  
73.6%

1998 Net Inc. (mil.): \$50.  
1-Yr. Net Inc. Growth:  
45.2%

1998 Employees: 250  
1-Yr. Employee Growth:  
19.0%

### In-depth Financials

### Key People

Chairman Emeritus  
Walter Gross

Chairman and CEO,  
Reckson Associates  
Realty and Reckson  
Services Industries  
Donald J. Rechler

VC and EVP Developme  
Roger Rechler

President and COO;  
President and CEO,

Hoover's Online [members](#) can find more companies in this [region](#).

**President and CEO,  
Reckson Services  
Industries**  
Scott H. Rechler

**EVP, CFO, and Treasure  
Reckson Associates  
Realty and Reckson  
Services Industries**  
Michael Maturo

**[More Officers](#)**

## Key Resources

### For Investors

[SEC Filings from EDGA  
Online](#)

[Real-time](#)

[24-hours delayed](#)

[Brokerage Research  
Reports](#)

[Insider Trades Report](#)

CFO: Michael Maturo

### For Researchers

[Trademarks](#)

[Buy Books from](#)

[Amazon.com](#)

[Buy D&B Business Repor](#)

[Buy Experian Business  
Profiles](#)

[Buy USADATA.com](#)


[Market Research Reports](#)

[Search the Dow Jones](#)

[Publications Library](#)

### For Job Seekers

HR Contact: Erik Froelic

<b>RED HERRING</b> an  Center affiliate	Internet Company Research	
	Company Name: <input type="text"/>	Research Category: <input type="text" value="Business News Sites"/> <input type="button" value="Go"/>

[Join](#) | [Log In](#) | [Member Benefits](#) | [About](#) | [Help](#) | [Site Map](#)

[Home](#) | [Companies & Industries](#) | [Money](#) | [Career Development](#) | [News Center](#) | [Business Travel](#) | [Store](#)

Hoover's Company Capsules

Copyright © 1999, Hoover's, Inc.

[Hoover's and the Year 2000](#)

[Privacy Policy](#)

[Advertising Info](#)



## Investor

The benchmark for quality financial information

Home Research Markets What's Hot Screening About Help



### SEARCH FOR

• Symb Name

GO



[Snapshot](#)

[Quotes](#)

[News](#)

[Price Charts](#)

[Highlights](#)

[Earnings Estimates](#)

[Performance](#)

[Comparison](#)

[Insider Trading](#)

[Instit. Ownership](#)

[Financials](#)

[DRIP](#)

[More Research](#)

[Broker Research](#)

PROFESSIONAL  
Stock Screening

Advertise  
with us.

## Reckson Service Industr.

NASD : RSII

Sector: Services

Industry: Real Estate Operations



The Benchmark for Quality Financial Information

### Snapshot

[Click Here To Learn How To Use The Snapshot Report](#)

Reckson Service Industries provides a complementary set of outsourced business services, such as commercial services to properties owned by Reckson Operating Partnership, its tenants & third parties, and investment in a real estate venture capital fund. For the 6 months ended 6/30/99, revenues totalled a loss of \$181K, down from \$199K. Net loss totalled \$11.8M, up from \$1.1M. Results reflect increased stock compensation and other S/G/A costs.

### Reckson Service Industr.

10 East 50th Street

27th Floor

New York, NY 10022

Phone: (212) 931-8000

Fax: (212) 931-8001

Sector: Services

Industry: Real Estate  
Operations

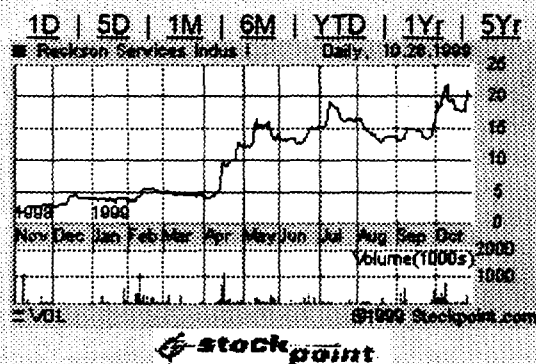
Employees: 17 (12/31/1998)

Market Cap (M\$) \$ : 453.35

Complete Financials: Jun  
1999

Updated: 10/23/1999

Earnings Announcements:  
NA



**OFFICERS:** Scott H. Rechler, Pres./CEO, Donald J. Rechler, Chmn., Michael Maturo, Exec. VP/CFO/Treas., Jason M. Barnett, Sr. VP/Counsel. **TRANSFER AGENT:** American Stock Transfer & Trust Co. Company incorporated in DE. Direct inquiries to: Michael Maturo, Exec. VP/CFO/Treas.

### Key Ratios & Statistics

**Price & Volume**

Recent Price \$	17.88
52 Week High \$	23.75
52 Week Low \$	1.84
Avg Daily Vol (Mil)	0.11
Beta	NA

**Share Related Items**

Mkt. Cap. (Mil) \$	453.35
Shares Out (Mil)	25.36
Float (Mil)	15.20

**Dividend Information**

Yield %	0.00
Annual Dividend	0.00
Payout Ratio (TTM) %	0.00

**Financial Strength**

Quick Ratio (MRQ)	NM
Current Ratio (MRQ)	NM
LT Debt/Equity (MRQ)	8.44
Total Debt/Equity (MRQ)	8.44

**Valuation Ratios**

Price/Earnings (TTM)	NM
Price/Sales (TTM)	NM
Price/Book (MRQ)	55.89
Price/Cash Flow (TTM)	NM

**Per Share Data**

Earnings (TTM) \$	-0.76
Sales (TTM) \$	NA
Book Value (MRQ) \$	0.32
Cash Flow (TTM) \$	-0.76
Cash (MRQ) \$	0.01

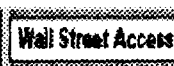
**Mgmt Effectiveness**

Return on Equity (TTM)	-122.73
Return on Assets (TTM)	-35.06
Return on Investment (TTM)	-36.63

**Profitability**

Gross Margin (TTM) %	NM
Operating Margin (TTM) %	NM
Profit Margin (TTM) %	NM

Mil = Millions MRQ = Most Recent Quarter TTM = Trailing Twelve Months  
Pricing and volume data as of 10/22/1999

**Glossary of financial terms.**

[\[Home\]](#) [\[Research\]](#) [\[Markets\]](#) [\[What's Hot\]](#) [\[Screening\]](#) [\[About\]](#) [\[Help\]](#)

Copyright © 1996 - 1999 Market Guide Inc., 2001 Marcus Ave, Lake Success, NY 11042.  
All rights reserved. [Disclaimer](#).

BW1750 OCT 12, 1999

13:10 PACIFIC

16:10 EASTERN

## **( BW)(NY-RECKSON-SERVICE)(RSII) RSI Enhances Its B2B e-Commerce Strategy by Acquiring Additional Interests in Two Partner Companies**

Business Editors

NEW YORK--(BUSINESS WIRE)--October 8, 1999--Reckson Service Industries, Inc. (RSI) (NASDAQ: RSII) announced today that it has agreed to acquire additional interests in two partner companies, VANTAS(SM) Incorporated (VANTAS) and OnSite Access, Inc. (OnSite). RSI is an Internet-related operating company that identifies, acquires interests in, develops and manages a network of business to business e-Commerce (B2B) companies that service small and medium sized enterprises (SMEs) and the mobile workforce of larger companies.

VANTAS is the largest owner of executive office suites in the country. It is estimated that upon consummation of the transaction RSI's ownership will increase from 35% to between approximately 77% and 95%, depending upon whether certain shareholders exercise their contractual tag along rights to sell their shares. RSI's additional investment will range from \$82 million of cash and 2.0 million shares of RSI common stock to \$121 million of cash and 3.0 million shares of RSI common stock, depending on the level of participation of the tag along shareholders.

VANTAS operates over 190 executive office centers within the U.S. and internationally, providing SMEs and the mobile workforce, such services as flexible office space, conference rooms and training centers, state-of-the-art technology such as high-speed Internet access and videoconferencing, and a range of virtual and on location professional support services.

Scott Rechler, President and CEO of RSI, stated, "We are excited about the opportunity to increase our stake in VANTAS as we believe they will continue to revolutionize the workplace through its virtual officing initiatives." Mr. Rechler added, "VANTAS will also enhance the value of our partner companies by providing them with the resources for rapid expansion and a physical infrastructure to support and differentiate their e-Commerce initiatives. VANTAS provides an outstanding physical portal to distribute B2B services to a large customer base at a local point of presence."

David Beale, President and CEO of VANTAS stated, "We are excited about RSI's further commitment to VANTAS, and are confident that RSI's e-Commerce focus will help us achieve our goal of becoming the premier provider of physical and virtual officing solutions."

RSI has also contracted to increase its interest in OnSite to 42% by acquiring an additional 7% for approximately 1.7 million shares of RSI common stock. OnSite, a national telecommunications company that delivers best-in-class telecommunications services to SMEs, provides high-speed Internet access, digital voice, broadband data and enhanced services to the tenants of commercial office buildings.

Commenting on the OnSite investment, Mr. Rechler said, "OnSite has become the leading player in the next generation telecommunications sector." He added, "OnSite has attracted a world-class management team that has already executed beyond our expectations. We welcomed the opportunity to use our stock to provide liquidity to a founder and to significantly increase our stake at an attractive valuation."

"The additional investments in VANTAS and OnSite are representative of a number of steps RSI has taken to continue to advance our position as a leading developer of B2B companies", said Mr. Rechler.

RSI is an Internet-related operating company that identifies, acquires interests in, develops and manages a network of B2B companies that service SMEs and the mobile workforce of larger companies. RSI generally acquires significant interests in companies to influence their long-term direction and value creation. To maximize the potential of its partner companies, RSI provides them with operational support and strategic guidance through its internal management resources, advisory board, and proprietary business development resources. RSI also actively works with its partner companies to foster a



collaborative environment and facilitate strategic relationships that provide access to the resources and customer base of its entire network.

Certain matters discussed within this press release are forward-looking statements within the meaning of the federal securities laws. Although RSI believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, it can give no assurance that its expectations will be achieved. Factors that could cause actual results to differ materially from RSI's expectations include changes in the business services and e-Commerce industries, failure to consummate anticipated transactions, changes in the market valuation of Internet-related companies, sourcing investment and acquisition opportunities which meet its investment strategy, general economic conditions, competition, changes in technology, technological obsolescence, interest rates, available capital, conflicts of interests of management, and other risks detailed from time to time in the RSI reports filed with the Securities and Exchange Commission, including annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K.

--30--sm/ny\*

CONTACT: Reckson Service Industries, Inc.  
 Scott Rechler, CEO  
 Michael Maturo, CFO  
 (212) 931-8000  
 or  
 Media: Ruder Finn, Inc.  
 Erika Freed/Ken Garcia  
 (212) 715-1538/583-2722

KEYWORD: NEW YORK  
 INDUSTRY KEYWORD: COMPUTERS/ELECTRONICS INTERNET SOFTWARE  
 E-COMMERCE MERGERS/ACQ

**(BW)(NY-RECKSON-SERVICE-INDUSTRIES)(RSII) Reckson Service Industries Increases Investment In OnSite Access With High Caliber Private Equity Investor Group To Expand OnSite Into National DSL-Based Integrated Communications Provider**

Business Editors

MELVILLE, N.Y.--(BUSINESS WIRE)--April 16, 1999--

**\$60 Million Equity Infusion**

Reckson Service Industries, Inc. ("RSI") (OTC: RSII) today announced that the Company will increase its existing investment in OnSite Access, a DSL-based Integrated Communications Provider, as part of a definitive equity financing agreement in the amount of \$60 million.

This equity raise, which is intended to fund the national expansion of OnSite's broadband Internet, data and voice network, consists of RSI and a private equity investor group which includes Spectrum Equity Investors, Crosspoint Venture Partners, J.P. Morgan Capital, AT&T Ventures and Veritech Ventures. Upon completion of this investment, RSI will be the largest shareholder of OnSite Access with an approximate 33% interest on a diluted basis.

OnSite Access provides high-bandwidth, high-availability digital telecommunications, high-speed Internet and data network services to the small and medium size business community, utilizing broadband DSL as a transport technology. OnSite's unique Building-Centric model focuses on forming long-term preferred provider agreements with landlords of multi-tenanted office buildings. Under the terms of these agreements, OnSite builds a proprietary high-speed communications network within the buildings, thereby eliminating the bandwidth bottlenecks in the "last foot" of the communications infrastructure. By aggregating the traffic of several tenants within a building, OnSite achieves significant economies of scale, allowing it to offer the tenants a bundled package of enhanced communications services at highly competitive prices. The building owners benefit from the addition of a no-cost, value-added amenity which also serves as a technology upgrade to their buildings, thereby attracting and retaining tenants.

Scott Rechler, RSI's President and Chief Executive Officer, stated, "We are very excited about this transaction it not only represents a significant increase in valuation from our original investment, but by partnering with such experienced, high caliber private equity telecom investors OnSite is well positioned to execute its aggressive national expansion. Additionally, we look forward to continuing to work closely with OnSite's talented management team to facilitate the company's growth and development." Mr. Rechler added, "Strategic investments in innovative companies such as OnSite, that provide small to medium size businesses with the resources they need to be competitive, are central to establishing RSI as a leading provider of a wide range of value-added outsourced business services."

OnSite's President and Chief Operating Officer, Scott Jarus, said, "We are pleased to gain the financial and strategic support of this investor group. Their collective experience and expertise in the telecommunications and real estate sectors will greatly bolster our ability to achieve our strategic goals as we build a national network of broadband Internet, data and voice services." Mr. Jarus continued, "This is a tremendous opportunity for OnSite. The market already recognizes the potential of this industry, as evidenced by the valuations placed on companies providing broadband DSL services, such as Covad Communications (Nasdaq: COVD) and Rhythms NetConnections Inc. (Nasdaq: RTHM)."

OnSite Access, a premier DSL-based Building-Centric Communications Provider, has contracts to

supply advanced telecommunications, high-speed Internet and data services over a convergent platform to tenants in over 36 million square feet of commercial real estate properties in the New York Tri-State area. OnSite Access' high-bandwidth, high-availability, "last foot" network provides cost-effective and feature-rich communications services to its customers, who are the tenants of these buildings. OnSite Access is headquartered in New York City. For more information, visit the Company's Web site at [www.onsiteaccess.com](http://www.onsiteaccess.com).

Reckson Service Industries, Inc. is a provider of a complementary set of outsourced business services. RSI will continue to expand its services through acquisitions, and strategic investments and alliances. The Company provides these services primarily to small and medium size businesses and the mobile workforce of larger corporations.

Spectrum Equity Investors is a leading private equity firm focused on the communications industry. Founded in 1993, Spectrum currently manages three equity funds totaling \$1 billion in capital. The firm's limited partners include prominent university endowments, foundations, pension funds, and corporations. Many of Spectrum's ventures pioneered the development and growth of highly successful industries, such as cellular telephone, wireless bypass, and competitive local and long distance voice and data services.

Crosspoint Venture Partners is an early stage equity investor with focused expertise in two strategic areas--the Net and Health Care. The partnership has a capital base of greater than \$500 million, and is sponsored by well respected institutions, pension funds, university endowments, foundations and individuals. Crosspoint has offices in Northern and Southern California.

J.P. Morgan Capital, J.P. Morgan's private equity investment subsidiary, has committed over \$2.5 billion of its own capital in private equity over the past fifteen years. Its portfolio includes investments in 16 countries and a number of industries including numerous investments in the Telecommunications, Media and Technology sectors. J.P. Morgan is a leading global financial firm that meets critical financial needs for business enterprises, governments and individuals.

AT&T Ventures was founded in 1992 as a venture capital partnership, to invest in information technology and service enabling companies in emerging growth markets. Drawing from three funds totaling \$350 million, the firm provides capital to start-up and later stage companies in the following markets: wireless communications, Internet, value-added networking services, content and local service.

Veritech Ventures is an investment firm controlled by Jon Halpern who holds interests in technology, real estate and service sector industries. Veritech Ventures is based in Westchester, NY.

Certain matters discussed within this press release are forward-looking statements within the meaning of the federal securities laws, and the transactions contemplated herein are subject to certain closing conditions. Although Reckson Service Industries (RSI) believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, it can give no assurance that its expectations will be achieved. Factors that could cause actual results to differ materially from RSI expectations include changes in the business services industry, failure to consummate anticipated transactions, finding acquisition opportunities which meet its investment strategy, general economic conditions, competition, interest rates, available capital, conflicts of interests of management, and other risks detailed from time to time in the RSI reports filed with the Securities and Exchange Commission, including annual reports on Form 10-K, quarterly reports on Form 10-Q and reports on Form 8-K.

--30--mem/ny\*

CONTACT: Reckson Service Industries, Inc.  
225 Broadhollow Road  
Melville, New York 11747  
Scott Rechler, President and CEO  
Michael Maturo, CFO  
(516) 719-7400 (Phone)  
(516) 719-7405 (Facsimile)

KEYWORD: NEW YORK  
INDUSTRY KEYWORD: TELECOMMUNICATIONS BANKING





8TH STORY of Level 1 printed in FULL format.

Copyright 1999 Bell & Howell Information and Learning;  
Copyright American City Business Journals Inc. 1999;  
Business Dateline;  
Washington Business Journal

October 8, 1999

SECTION: Vol 18; No 22; pg 66

LENGTH: 752 words

HEADLINE: OnSite Access is starting to wire D.C. buildings

BYLINE: Melanie D Goldman

DATELINE: Washington; DC; US; South Atlantic

BODY:

OnSite Access is engaged in risky business, but in a conversation with Executive Vice President and co-founder Daren Hornig, the issue of taking a gamble was never raised.

His New York company installs and operates fiber-optic networks in office buildings, at no cost to the property owner. Now that OnSite has been rewarded for its risks with properties on its home turf, it's about to test the waters in Washington.

"The potential in this area is very large," said Chuck Queri, general manager of the local office. "Washington/ Baltimore has a very large telecommunications and Internetsavvy environment. There's a lot of hightech companies and entrepreneurs in the region, and there's hundreds of millions of square feet that we could deploy here."

The company's first coup in Washington is 1625 K St. NW, a Taconic Investment Partners building that houses primarily small and mid-sized lobbying and professional service agencies, such as the National Petroleum Council and Biotech Industry Corp.

OnSite has been working with New Yorkbased Taconic and already has wired and currently operates about 2 million square feet of the owner's properties in New York.

"No matter where we have put the service, it's been well-received," said Andy Nick, senior vice president of Taconic. "Our history with (OnSite) shows that in our buildings with smaller companies, they don't have the expertise to do these kinds of things on their own, in-house. This allows them to have one-stop shopping for all the services."

Once OnSite has signed an agreement with a building owner, the wiring process takes 60 to 90 days, and, toward the end of that period, OnSite starts marketing the services to tenants.

Hornig said services - including state-of-the-art voice, data and high-speed Internet connections - are offered at 20 to 30 percent less than most tenants are paying for them today. Some tenants choose not to sign up and to stick with their current providers, and that's the risk OnSite takes when they wire the building at no charge.

Hornig said that in buildings wired for at least a year, their penetration rate is about 35 percent. OnSite is almost two years old, and Washington is the company's first expansion market after the New York area (including Connecticut and New Jersey).

Currently, it has wired 20 million square feet of office buildings. By the end of this year, OnSite will be in 10 major markets across the country and will be in 30 by the end of 2000. The 1625 K Street building will be customer-ready Nov. 30.

Although many larger companies already have the technological upgrade that OnSite is offering, buildings ranging from 50,000 square feet to more than 1 million square feet with 10 or more tenants are ideal targets for the company.

Hornig said a typical installation costs OnSite Access 50 cents per square foot, noting that there are several different property packages and that the telecommunications service can be a source revenue for landlords. Each building assigned a building communications manager who serves as a consultant for the property, assisting tenants with their needs and services.

Company revenue in 1998 was \$ 3 million and is expected to be under \$ 10 million this year, said Hornig.

The key to the service is that it's added amenity for property owners trying to attract tenants. Last year, Building Owners and Managers Association and the Urban Land Institute did a tenant study and found that access to broadband is a leading feature companies look for when they're searching for space, said Gerry Lederer, BOMA vice president of government and industry affairs. "The bottom line is what do tenants want," he said. "Real estate owners and managers are in the tenant-pleasing business, not the telecommunications business. If (a property owner) doesn't have those services, you are not competitive and you're going to jeopardize the money you can make in rent."

OnSite's concept is not unique. There are a handful of other companies across the country that also wire buildings and provide services in a similar manner, Lederer said. OnSite does have an edge, however, and that's their ability to talk the talk with people in real estate.

"They're very knowledgeable about the industry," Lederer said. "When people speak the language of the customer, the customer is more comfortable doing business. OnSite is a new breed of telecommunications providers that has decided that they'd rather be real estate's partners than their adversaries."

GRAPHIC: Photo

LANGUAGE: ENGLISH

UMI-ACC-NO: 0084856

LOAD-DATE: October 27, 1999



OFFICE BUILDING  
TENANTSBUILDING OWNERS  
AND MANAGERS

&gt; home

company overview

home tenant support offices served faq job opportunities contact

## company overview

### Cypress Communications, Inc.

Cypress is a full-service communications service provider formed in 1995 and headquartered in Atlanta, Georgia. Cypress provides tenants in commercial office buildings with a full line of communications services, expertly supported by dedicated Cypress professionals. Services offered include high speed Internet access, digital desktop equipment, local and long distance phone service, voice mail, digital satellite television, and much more.

the  
single-  
source  
solution

the Executive  
> Team

### Cypress Serves Major U.S. Markets

As of August 1999, Cypress has agreements to provide its Integrated Service in over 90 office buildings in major markets across the United States.

### Cypress is a Value Added Systems Integrator

Cypress has strong relationships with leading communications manufacturers and networks. Cypress provides its integrated services using voice and data equipment from manufacturers including Nortel Networks and Cisco. Cypress connects its facilities to major communications networks including BellSouth, GTE, ICG, Netcom, MCI Worldcom, Pacific Bell, Qwest, Southwestern Bell, Sprint, Verio and others.

### The Cypress Executive Team

[home](#) | [office building tenants](#) | [building owners and managers](#)  
[voice](#) | [video](#) | [internet](#) | [Cypress riser topology](#) | [Cypress business internet service](#)  
[cypress services](#) | [executive team](#) | [news](#) | [tenant support](#)  
[job opportunities](#)  
[cities served](#) | [faq](#) | [contact us](#) | [credits](#)

© 1999 Cypress Communications, Inc. All rights reserved.